

STATEMENT OF REP. JOHN CONYERS, JR.
Courts, the Internet, and Intellectual Property Subcommittee
Hearing on “Piracy of Intellectual Property on Peer-to-Peer Networks”
September 26, 2002

Peer-to-peer networks have numerous uses in education, research, professional development, and entertainment, but many have chosen to exploit their capabilities to pirate copyrighted works. I believe this piracy is one of the biggest threats to the content and technology industries, the two industries that have contributed more to our national economy than just about any other.

The same people who wouldn't even think of taking a candy bar from a grocery store – or a shirt from a department store – think nothing of downloading thousands of movies and songs every day from the Internet. They say that it's so easy to take content from the Internet it must be legal and the copyright owners make too much money anyway. In fact, this type of file sharing is nothing less than “virtual shoplifting.”

Those who advocate for free file sharing simply don't understand that the money that they refuse to pay goes to all of those who contribute to the creative process. It threatens the viability of record labels, technology companies, and movie studios, and impacts the livelihoods of their employees, artists, actors, songwriters, other creators, and their families.

And we can guess the impact is serious because, on the music side, sales are down this year 10 percent over last year – and last year's level was the lowest since 1993. I'd like to say that it's interesting that people who support file sharing never make their own movies or music available for free on the Internet. In my mind, there is no question that it is wrong, and numerous court decisions have upheld that answer.

The real question is what should be done about it. There has been a lot of movement this year, including hearings in Congress, bills, and deals within the private industry. For instance, the record labels have started to let

consumers stream and burn music off the Internet, and the major movie studios and IBM just announced they are working to allow rentals of digital videos. And the broadcasters reached a deal several months ago with the technology companies on how to protect broadcast content from piracy.

It's important to know what the next step should be and what role Congress should play.